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LABOR AND INDUSTRIAL RELATIONS

SB 51 (Kuehl) 60 Days' Notice of No-Fault Eviction

SB 1403 (Kuehl, 2002) became law in 2003. It requires that notice of termination of tenancy be served 60 days in advance in order to terminate a periodic tenancy in situations where the tenant is not at fault. This law is due to expire ("sunset") on December 31, 2005. Unless the sunset provision in current law is removed, the notice time to terminate a tenancy where a tenant is not at fault will revert to the 30-day timeframe previously in the law. SB 51 removes the sunset provision.

SB 1403 made **no** changes to the law regarding evictions when the tenant it at fault, such as for nonpayment of rent or other violations of the rental agreement. In such cases, current law requires only a three-day notice. **Thus, SB 1403 protected only those tenants who are being evicted through no fault of their own.** For these innocent California families, many circumstances make 30 days a wholly inadequate amount of time to find a safe and affordable rental. Returning to such an inadequate notice provision will hurt these tenants.

Many tenants work multiple jobs and can look for new housing only at night or on weekends. This is particularly challenging for tenants who must rely on a public transportation system that often runs less frequently during these hours. Tenants with children who are forced to move so quickly have a very difficult time arranging to transfer them to new schools or locate new daycare. In addition, the financial burden on lower-income tenants can be overwhelming. With costs such as security deposits, cleaning deposits, pet deposits, rental application fees, first-months rent, utility connection fees, and moving-truck rentals, the expense of moving to a new rental in a limited amount of time is beyond the ability of many families. The law allows landlords to keep security deposits for 21 days after the tenant moves out, so the deposit refund from the prior rental is not available in time to pay for any of these expenses.

This situation is certainly costly under the best of circumstances. But in providing only 30 days in which to move, rather than 60, the costs become even greater. Many families are forced to take time off from work in order to locate a suitable rental and move in the allotted time. In hopes that at least one rental application will be quickly accepted, many families will be forced to complete more applications than they would if they had more time. This means families end up paying more application fees. With each of these applications, the tenant's FICO credit score is lowered, since each application is counted separately and therefore the score is lowered each time. This means that finding a new rental in only 30 days may require harming your credit rating. Forcing tenants to find any rental under hurried circumstances often means that tenants are forced to pay more in rent than they can really afford, must live further from jobs and daycare, or might be in a neighborhood less safe for them and their children. Thus, an already expensive scenario becomes even more costly and damaging to a family's overall financial and living situation when provided with only 30 days notice.

Finally, families seeking replacement housing in California have problems unique to this state. Vacancy rates in California are already among the lowest in the United States and are expected to drop throughout California even more in the coming year (see table below). While a five percent vacancy rate is considered normal, vacancy rates in many of this state's most populous regions are well under four percent. And with the dearth of multifamily construction in California, this means that these are trends will continue far into the future:

Market	Vacancy Rate	Vacancy Rate
	Last Year	This Year
Los Angeles	3.2%	3.0 (Lowest in nation)
San Diego	3.5%	3.2% (2 nd lowest)
Inland Empire	3.9%	3.5% (4 th lowest)
Orange County	3.9%	3.6% (5 th lowest)

Tenants that have done nothing to cause an eviction suffer real problems when forced to find a new rental in only 30 days. There has been no showing of widespread problems caused by the longer notice time and it should remain in place.

SB 51, sponsored by the Western Center on Law and Poverty, would remove the sunset provision of January 1st, 2006 from Civil Code Section 1946.1 (g). The bill would make no other changes. Adoption of SB 51 would simply preserve the requirement of 60 days' notice before a family can be removed from their home through no fault of their own. **SB 51 would not affect in any way the 3-day notice period for evicting a tenant for cause.**